IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

SUIT NO. 2277 OF 1992

UCO BANK ... PLAINTIFFS

VS.

M/S. SHREE GARMENTS & Ors. ... DEFENDANTS

Mrs. M.R.Patel for the Plaintiffs.

CORAM: S.K.SHAH,J.

DATE : 25th August,2005.

P.C.

1. The learned Counsel for the Plaintiffs submits that upto the date of the suit, the interest charged is only 14% and not 31%. The Plaintiffs have claimed 31% interest only from the date of the suit. She has filed the statement of accounts of the Plaintiffs.

2. The Plaintiffs have filed the suit for recovery of a sum of Rs.3,31,863.17 with interest at the rate of 31% per annum from the date of suit. The Defendant No.1 is a partnership firm and defendants Nos. 2 and 3 are partners of Defendant No.1 firm. The Plaintiffs allege that the Defendants had taken Cash Credit Facility to the extent of Rs.1,15,000/-, Bill

Discounting Facility to the extent of Rs.25,000/- and Bill Purchase Facility to the extent of Rs.10,000/- in or about 1981. The Defendants have utilised the said facilities. An amount of Rs.3,31,863.17 ps. remained due from the Plaintiffs on their account. The Defendants had executed Demand Promissory Note, Letter of waiver, Letter of Continuity and the Agreement for Hypothecation on 27.7.1989. However, they failed to repay the said amount. The Plaintiffs have also produced the statement of account of the Defendant No.1 firm showing the balance of the amount due from them to the Plaintiffs. Since the Defendants failed to pay the amount, the Plaintiffs have filed the suit. From the aforesaid documents, the Plaintiffs have established their claim. Hence, the suit will have to be decreed.

3. The Defendants Nos. 1 to 3 shall jointly and severally pay to the Plaintiffs Rs.3,31,863.17 ps. with interest thereon at the rate of 14% per annum from the date of the suit till realisation of the full amount. The Defendants Nos. 1 to 3 shall also pay to the Plaintiffs costs of the suit.

Decree be drawn accordingly.

(S.K.SHAH,J.)